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RH/CL

P.L. 2017, CHAPTER 384, *approved January 16, 2018*
Assembly, No. 4763

1 AN ACT concerning the State Tuition Aid Grant Program and
2 supplementing chapter 71B of Title 18A of the New Jersey
3 Statutes.

4

5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*

7

8 1. The Higher Education Student Assistance Authority shall
9 solicit from a financial aid applicant, information on whether he
10 received an early withdrawal from a qualified retirement plan under
11 the Internal Revenue Code of 1986, such as an individual retirement
12 account or a 401(k) plan, and the amount thereof. If an early
13 withdrawal was received, the amount of the early withdrawal, less
14 the amount of any federal income tax credit claimed by the
15 applicant for a tax penalty assessed on the early withdrawal, shall
16 be deducted from the adjusted gross income utilized by the
17 authority to determine the applicant's eligibility for, and the amount
18 of, a State tuition aid grant. This exclusion shall only be permitted
19 if the applicant provides documentation that the early withdrawal
20 was taken due to an economic hardship, as determined by the
21 authority.

22

23 2. This act shall take effect immediately.

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STATEMENT

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28 This bill requires the Higher Education Student Assistance
29 Authority (HESAA) to solicit from an applicant for financial
30 assistance, information on whether he received an early withdrawal
31 from a qualified retirement plan under the Internal Revenue Code,
32 such as an individual retirement account or a 401(k) plan, and the
33 amount of the early withdrawal. If the applicant took an early
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Excludes amount of certain early withdrawals from qualified retirement plans in determination by Higher Education Student Assistance Authority of applicant's eligibility for and amount of State tuition aid grant.

ASSEMBLY, No. 4763

STATE OF NEW JERSEY

217th LEGISLATURE

INTRODUCED MAY 11, 2017

Sponsored by:

Assemblyman RALPH R. CAPUTO

District 28 (Essex)

Assemblywoman MILA M. JASEY

District 27 (Essex and Morris)

Assemblyman ROBERT J. KARABINCHAK

District 18 (Middlesex)

Assemblywoman SHEILA Y. OLIVER

District 34 (Essex and Passaic)

Assemblyman RAJ MUKHERJI

District 33 (Hudson)

Assemblyman NICHOLAS CHIARAVALLOTI

District 31 (Hudson)

Assemblyman RONALD S. DANCER

District 12 (Burlington, Middlesex, Monmouth and Ocean)

Assemblyman KEVIN J. ROONEY

District 40 (Bergen, Essex, Morris and Passaic)

Senator RONALD L. RICE

District 28 (Essex)

Co-Sponsored by:

Assemblymen Giblin, S.Kean, Assemblywoman Watson, Assemblymen Ciattarelli, Holley, Assemblywoman McKnight, Assemblymen Coughlin, Benson, Assemblywoman Chaparro, Assemblyman Johnson and Assemblywoman Tucker

SYNOPSIS

Excludes amount of certain early withdrawals from qualified retirement plans in determination by Higher Education Student Assistance Authority of applicant's eligibility for and amount of State tuition aid grant.

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 1/9/2018)

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ASSEMBLY HIGHER EDUCATION COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4763

STATE OF NEW JERSEY

DATED: JUNE 12, 2017

The Assembly Higher Education Committee reports favorably Assembly Bill No. 4763.

This bill requires the Higher Education Student Assistance Authority (HESAA) to solicit from an applicant for financial assistance, information on whether he received an early withdrawal from a qualified retirement plan under the Internal Revenue Code, such as an individual retirement account or a 401(k) plan, and the amount of the early withdrawal. If the applicant took an early withdrawal, the amount of the early withdrawal, less the amount of any federal income tax credit claimed by the applicant for a tax penalty assessed on the early withdrawal, will be deducted from the adjusted gross income utilized by HESAA to determine the applicant's eligibility for, and the amount of, a State tuition aid grant. This exclusion will only be permitted if the applicant provides documentation that the early withdrawal was taken due to an economic hardship, as determined by HESAA.

SENATE HIGHER EDUCATION COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4763

STATE OF NEW JERSEY

DATED: DECEMBER 11, 2017

The Senate Higher Education Committee reports favorably Assembly Bill No. 4763.

This bill requires the Higher Education Student Assistance Authority (HESAA) to solicit from an applicant for financial assistance, information on whether he received an early withdrawal from a qualified retirement plan under the Internal Revenue Code, such as an individual retirement account or a 401(k) plan, and the amount of the early withdrawal. If the applicant took an early withdrawal, the amount of the early withdrawal, less the amount of any federal income tax credit claimed by the applicant for a tax penalty assessed on the early withdrawal, will be deducted from the adjusted gross income utilized by HESAA to determine the applicant's eligibility for, and the amount of, a State tuition aid grant. This exclusion will only be permitted if the applicant provides documentation that the early withdrawal was taken due to an economic hardship, as determined by HESAA.

As reported by the committee, this bill is identical to Senate Bill No. 3326, which was also reported by the committee on this same date.

SENATE, No. 3326

STATE OF NEW JERSEY
217th LEGISLATURE

INTRODUCED JUNE 19, 2017

Sponsored by:
Senator RONALD L. RICE
District 28 (Essex)

SYNOPSIS

Excludes amount of certain early withdrawals from qualified retirement plans in determination by Higher Education Student Assistance Authority of applicant's eligibility for and amount of State tuition aid grant.

CURRENT VERSION OF TEXT

As introduced.



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SENATE HIGHER EDUCATION COMMITTEE

STATEMENT TO

SENATE, No. 3326

STATE OF NEW JERSEY

DATED: DECEMBER 11, 2017

The Senate Higher Education Committee reports favorably Senate Bill No. 3326.

This bill requires the Higher Education Student Assistance Authority (HESAA) to solicit from an applicant for financial assistance, information on whether he received an early withdrawal from a qualified retirement plan under the Internal Revenue Code, such as an individual retirement account or a 401(k) plan, and the amount of the early withdrawal. If the applicant took an early withdrawal, the amount of the early withdrawal, less the amount of any federal income tax credit claimed by the applicant for a tax penalty assessed on the early withdrawal, will be deducted from the adjusted gross income utilized by HESAA to determine the applicant's eligibility for, and the amount of, a State tuition aid grant. This exclusion will only be permitted if the applicant provides documentation that the early withdrawal was taken due to an economic hardship, as determined by HESAA.

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